

FBILLING CODE: 3510-DS-P

#### DEPARTMENT OF COMMERCE

#### INTERNATIONAL TRADE ADMINISTRATION

C-580-837

Certain Cut-to-Length Carbon-Quality Steel Plate from the Republic of Korea: Preliminary Results of Countervailing Duty Administrative Review; 2012

AGENCY: Enforcement and Compliance, formally Import Administration, International

Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the countervailing duty (CVD) order on certain cut-to-length carbon-quality steel plate from the Republic of Korea (Korea). The period of review (POR) is January 1, 2012, through December 31, 2012. This review covers multiple exporters/producers; one of which is being individually examined as a mandatory respondent. We preliminary determine that Dongkuk Steel Mill Co., Ltd. (DSM) received a *de minimis* net subsidy rate during the POR. DSM's CVD rate has been used as the rate for the five companies that remain subject to review. The Department also intends to rescind the review of five companies that timely certified that they had no shipments of subject merchandise to the United States during the POR. Interested parties are invited to comments on these preliminary results.

EFFECTIVE DATE: (Insert date of publication in the *Federal Register*)

FOR FURTHER INFORMATION CONTACT: John Conniff, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14<sup>th</sup> Street and Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-1009.

# Scope of the Order

The merchandise covered by the *Order*<sup>1</sup> is certain hot-rolled carbon- quality steel: (1) universal mill plates (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm but not exceeding 1250 mm, and of a nominal or actual thickness of not less than 4 mm, which are cut-to-length (not in coils) and without patterns in relief), of iron or non-alloy-quality steel; and (2) flat- rolled products, hot-rolled, of a nominal or actual thickness of 4.75 mm or more and of a width which exceeds 150 mm and measures at least twice the thickness, and which are cut-to-length (not in coils). <sup>2</sup>

The merchandise subject to the *Order* is currently classifiable in the HTSUS under subheadings: 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7225.40.3050, 7225.40.7000, 7225.50.6000, 7225.99.0090, 7226.91.5000, 7226.91.7000, 7226.91.8000, 7226.99.0000. While HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this *Order* is dispositive.<sup>3</sup>

The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at

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<sup>&</sup>lt;sup>1</sup> See Certain Cut-To-Length Carbon-Quality Steel Plate from India, Indonesia, and the Republic of Korea: Continuation of Antidumping and Countervailing Duty Orders, 77 FR 264 (January 4, 2012) (the Order); see also Notice of Amended Final Determination: Certain Cut-to-Length Carbon-Quality Steel Plate From India and the Republic of Korea; and Notice of Countervailing Duty Orders: Certain Cut-to-Length Carbon-Quality Steel Plate From France, India, Indonesia, Italy, and the Republic of Korea, 65 FR 6587 (February 10, 2000).

<sup>&</sup>lt;sup>2</sup> See "Decision Memorandum for the Preliminary Results of the Countervailing Duty Administrative Review: Certain Cut-to-Length Carbon-Quality Steel Plated from the Republic of Korea," from Gary Taverman, Senior Advisor for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, dated concurrently with this notice (Preliminary Decision Memorandum) for a complete description of the scope of the *Order*.

<sup>&</sup>lt;sup>3</sup>See Order.

http://iaaccess.trade.gov and in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the internet at <a href="http://www.trade.gov/ia/">http://www.trade.gov/ia/</a>. The signed Preliminary Decision Memorandum and the electronic version of the Preliminary Decision Memorandum are identical in content.

## **Methodology**

For a complete description of the methodology see the Preliminary Decision Memorandum.

## Intent to Partially Rescind Administrative Review

Between April 10 and May 23, 2013, we received timely filed no shipment certifications from Daewoo International Corp. (Daewoo), Dongbu Steel Co., Ltd. (Dongbu), GS Global Corp. (GS Global), Hyosung Corporation (Hyosung), and Hyundai Steel Co. (Hyundai). Because there is no evidence on the record to indicate that these companies had sales of subject merchandise during the POR, pursuant to 19 CFR 351.213(d)(3), the Department intends to rescind the review with respect to Daewoo, Dongbu, GS Global, Hyosung, and Hyundai. A final decision regarding whether to rescind on these companies will be made in the final results of this review.

## Preliminary Results of the Review

In accordance with 19 CFR 351.221(b)(4)(i), we calculated an individual subsidy rate for the mandatory respondent, DSM. Because DSM is the sole, mandatory respondent, we preliminarily assigned to those companies not selected for individual review, the rate calculated for DSM. As a result of this review, we preliminarily determine the listed net subsidy rates for 2012:

Company	2012
	Ad Valorem Rate
Dongkuk Steel Mill Co., Ltd.	0.11% de minimis
Edgen Murray Corporation	de minimis
Kyoungil Col., Ltd.	de minimis
G GOTT G	
Samsung C&T Corporation	de minimis
Samwoo EMC Co., Ltd.	de minimis
Salliwoo ENC Co., Ltd.	de minimis
TCC Steel Corp.	de minimis

## Disclosure and Public Comment

The Department will disclose to parties to this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of these preliminary results.<sup>4</sup> Interested parties may submit written arguments (case briefs) within 30 days of publication of the preliminary results and rebuttal comments (rebuttal briefs) within five days after the time limit for filing the case briefs.<sup>5</sup> Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs. Parties who submit arguments are requested to submit with the argument: (1) statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Interested parties, who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce within 30 days after the date of publication of this notice.<sup>6</sup> Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. If a request for a hearing is made, we will inform parties of

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<sup>&</sup>lt;sup>4</sup> See 19 CFR 351.224(b). <sup>5</sup> See 19 CFR 351.309(c)(1)(ii) and 351.309(d)(1).

<sup>&</sup>lt;sup>6</sup> See 19 CFR 351.310(c).

the scheduled date for the hearing, which will be held at the U.S. Department of Commerce, 14<sup>th</sup> Street and Constitution Avenue, NW, Washington, DC 20230, at a time and location to be determined. Parties should confirm by telephone the date, time, and location of the hearing.

Parties are reminded that briefs and hearing requests are to be filed electronically using IA ACCESS and that electronically filed documents must be received successfully in their entirety by 5:00PM Eastern Time on the due date.

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act, the Department will issue the final results of this administrative review, including the results of our analysis of the issues raised by parties in their comments, within 120 days after issuance of these preliminary results.

## Assessment Rates

The Department intends to issue assessment instructions to U.S. Customs and Border Protection (CBP) 15 days after the date of publication of the final results of this review. If the final results remain the same as these preliminary results, the Department will instruct CBP to liquidate without regard to CVDs all shipments of subject merchandise produced by Dongkuk Steel Mill Co., Ltd., Edgen Murray Corporation, Kyoungil Col., Ltd., Samsung C&T Corporation, Samwoo EMC Co., Ltd., and TCC Steel Corp entered, or withdrawn from warehouse, for consumption from January 1, 2012, through December 31, 2012.

## **Cash Deposit Instructions**

The Department also intends to instruct CBP to collect cash deposits of zero percent on shipments of the subject merchandise produced and/or exported by Dongkuk Steel Mill Co., Ltd., Edgen Murray Corporation, Kyoungil Col., Ltd., Samsung C&T Corporation, Samwoo EMC Co., Ltd., and TCC Steel Corp entered, or withdrawn from warehouse, for consumption on

<sup>&</sup>lt;sup>7</sup> See 19 CFR 351.310.

or after the date of publication of the final results of this review. For all non-reviewed firms, we

will instruct CBP to collect cash deposits of estimated countervailing duties at the most recent

company-specific or all-others rate applicable to the company. These cash deposit requirements,

when imposed, shall remain in effect until further notice.

This administrative review and notice are in accordance with sections 751(a)(1) and

777(i)(1) of the Act and 19 CFR 351.213.

Paul Piquado

Assistant Secretary

for Enforcement and Compliance

March 18, 2014

Date

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#### **Appendix**

List of Topics Discussed in the Preliminary Decision Memorandum:

- 1. Summary
- 2. Background
- 3. Scope of the Order
- 4. Preliminary Intent to Rescind with Respect to Daewoo, Dongbu, Hyosung, Hyundai, and GS Global
- 5. Non-Selected Rate
- 6. Attribution of Subsidies
- 7. Analysis of Programs
  - A. Programs Preliminarily Determined to be Countervailable
    - 1. Local Tax Exemption on Land Outside Metropolitan Areas
    - 2. GOK Facilities Investment Support Under Article 26 Restriction of Special Taxation Act (RSTA) Article 26
  - B. Programs Preliminarily Determined Not to Confer a Benefit
    - 1. Various Grants Contained in DSM's Financial Statement
    - 2. GOK Reimbursements for Wharfage Fee Expenses DSM Incurred in Developing the Asan Bay Port Facility
    - 3. Asset Revaluation under the RSTA and/or Tax Reduction and Exemption Control Act (TERCL) Article 56(2)
  - C. Programs Preliminarily Determined to be Not Used
    - 1. Short-Term Discounted Loans for Export Granted by the Korean Development Bank (KDB)
    - 2. Funds Provided under the Energy Savings Program
    - 3. Tax Reductions to Companies Operating in the Godae Complex
    - 4. Additional Programs Preliminarily Determined to be Not Used
      - GOK Directed Credit Program
      - GOK Infrastructure Investment at Inchon North Harbor
      - Reserve for Investment (Special Case of Tax for Balanced Development Among Areas)TERCL Articles 42, 43, 44, and 45
      - Price Discounts for DSM Land Purchase at Asan Bay
      - Exemption of VAT on Imports of Anthracite Coal
      - Provision of Land for Less than Adequate Remuneration in the Godae Complex
      - Lease Discounts Provided to Companies Operating in Free Economic Zones
      - Tax Reductions Granted to Companies Operating in the Godae Complex
      - Tax Subsidies Provided to Companies Operating in Free Economic Zones Government Grants and Financial Support to Companies Operating in Free Economic Zones
- 8. Recommendation

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